

**As some members of the committee did not receive,
following is a copy of my email sent February 26, 2013.**

Sam Sloat Coins, Inc
606 Post Road East
Westport, Ct 06880

I am writing to each member of the Public Safety and Security Committee regarding Raised Bill No. 928, AN ACT CONCERNING PRECIOUS METALS OR STONE DEALERS.

I am president of Sam Sloat Coins, Inc, dealers of rare coins and precious metals. We are located in Westport and have been in business since 1961. Although I will be attending the public hearing February 28, I felt it best to email my concerns in advance.

It seems the purpose/intent of Raised Bill No. 928 is basically to provide a way to assist law enforcement to investigate and solve crimes and aid those victimized recover material stolen. I do not feel it would be presumptuous to say the target of the bill is buyers of scrap silver and gold, primarily in the form of jewelry and sterling silver flatware and hollowware. However, in constructing this bill, along with the current statute, 21-100 and all previous laws, beginning with the very first of this type written over 20 years ago; a net is cast so broad that it captures areas that simply do not belong.

COINS

Both the Title and Purpose Statement of this bill specify it is directed to Precious Metals and Stones Dealers. That does not, and should not include Professional Numismatists/Coin Dealers. Numismatics is defined as "the art and study of coins, currency, medals, tokens, and related objects from all cultures, past and present". Simply because some coinage is made of gold, silver and platinum is not enough of a reason to include "coins" in the listing of precious metals, making every phase of numismatics subject to the restrictions in the proposed bill. Coins do not belong in the list of covered items.

BULLION

For similar reasons, the term "bullion" does not belong in this listing. Although you may find slightly differing definitions for the term, I feel it would be fair to define bullion as; gold and silver that is officially recognized as being at least 99.5% pure and is in the form of bars or ingots rather than coins. Bullion, including such bullion-related items as American Gold Eagles, Canadian Maple Leafs, etc. is a vehicle for individuals/trusts/corporations to tangibly invest in precious metals. By including "bullion" in the listing of items this bill refers to, it would be impossible for any law abiding company to

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continue doing business in this area. By imposing a mandatory ten day physical holding period, a bullion dealer would no longer be able to operate. Our company is nationally recognized by The United States Mint as an American Eagle Bullion and American Buffalo Gold Coin dealer. In a typical

transaction, we invest \$1600 per ounce of gold to turn over for a \$45 gross profit. When we purchase 100 ounces of gold bullion from a client for \$160,000, our potential gross profit is only \$4,500. We are able to do business with this margin because of the immediate turn over. We cannot possibly do this if required by law to physically hold this material for ten (plus) days. In the last ten business days we have had a range in gold prices from a low of \$1577 to \$1647 an ounce. This law, if enacted, would turn us from being traders to speculators or gamblers. Plus the cost of holding this material; the financing, additional safes, security and insurance would cause us to lower our offer to buy prices to the point that we would no longer be able to compete with bullion dealers in New York, Rhode Island, Massachusetts or any national dealer for that matter. There will cease to be any bullion related business being done in the State of Connecticut. Bullion does not belong in this list of covered items.

Thank you for taking the time to read and consider this email. I look forward to an opportunity to speak further at the public hearing Thursday. In the meantime, if I may be of any assistance in providing any additional information or answering any questions or concerns, please do not hesitate to contact me.

Respectfully,

Bob Walter, Pres.

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